

SECTION I – GENERAL COMPLIANCE
CHAPTER 3

ASSA & DRTRS

APPLICATION FOR STATE SCHOOL AID (ASSA)

OVERVIEW

Auditors are required to perform detailed testing procedures relating to the ASSA enrollment data for the following categories:

- 1) On-roll full and shared students (regular and special ed/tier) including related services if applicable.
- 2) Private school for the disabled students including related service if applicable.
- 3) Low income enrollment.
- 4) Bilingual students (kindergarten through 12)

The Schedule of Audited Enrollments is included in the Auditor's Management Report as a supplementary schedule and summarizes the results of testing the ASSA and the District Report of Transported Resident Students (DRTRS). Refer to Section III – Chapter 4 for an example of this schedule and comment. A statement regarding the audit procedures performed on ASSA is also required in the Auditor's Management Report including any items of noncompliance or negative comments along with the appropriate recommendation.

The Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA) requires state aid to be calculated from enrollments projected by the Commissioner using actual enrollment data from prior years. Actual October 15, 2001 ASSA data is to be used for various purposes such as calculation of School Choice Aid, Abbott Parity aid and federal entitlement programs by the Office of School Finance, therefore, the accuracy of this data must be ensured.

Charter school students were to be considered enrolled in their resident district and were to be counted as if they attended their home school. These students were to be reported in accordance with the 2002-2003 Application for State School Aid Instructions, page 26.

Choice program students were to be reported by the choice district on the ASSA. Choice districts in the Interdistrict Public School Choice Program were to enter data for those students in accordance with the 2002-2003 Application for State School Aid Instructions, pages 27 to 29.

All educationally disabled (special education) students are counted on the ASSA according to the classification (tier) under which they were found eligible for special education. Each classified student is eligible to receive aid for up to four different related services categories. Related services students are classified students resident in the district who are classified for other than speech correction services and receive related services including, but not limited to, counseling, occupational therapy, physical therapy, and speech language therapy. These students are included in the district's ASSA summary report as Tier II, Tier III or Tier IV students. The "tier category" reporting must be verified as part of your on roll – full/shared and private school testing.

School districts must complete a set of workpapers which document the compilation of register data for the ASSA student count and provide an audit trail for the auditor to use as a basis for testing. School districts must also prepare written internal procedures that provide a description of the October 15, 2001 count process. The procedures should describe how the count was taken, who was responsible for compiling the data and submitting the ASSA data, and the various personnel assigned responsibilities for

collection of the data. The workpapers, original supporting documentation and internal procedures must be maintained on file for a period of seven years.

DETERMINING SAMPLE SIZE

The following table should be used when determining the sample size for testing the on roll – full/shared, private schools, low- income, and bilingual education categories. The table should also be used when determining the sample size when testing the DRTRS.

<u>TOTAL REPORTED</u>	<u>SAMPLE SIZE EXPRESSED AS %</u>	<u>TOTAL REPORTED</u>	<u>SAMPLE SIZE EXPRESSED AS NO.</u>
Up to 50	86%	401 - 650	197
51 – 100	76%	651 - 950	232
101 – 150	68%	951 - 1,250	254
151 – 200	62%	1,251 - 1,500	264
201 – 250	57%	1,501 - 1,750	272
251 – 300	52%	1,751 - 1,950	279
301 – 400	48%	1,951 - 2,400	284
		2,401 - 2,900	291
		2,901 - 3,400	295
		3,401 - 3,900	299
		3,901 - 4,900	303
		4,901 - 9,500	312
		9,501 - 17,000	318
		17,001 - 48,000	322
		48,001 - 500,000	325

This table is based on a commonly used table which will provide a confidence level of 99% with a precision of $\pm 2\%$. The table has been condensed for this purpose and does not reflect the numerous sample sizes required for populations up to 500,000. The development of population ranges and averaging of sample sizes for such ranges will have a marginal but acceptable impact on the confidence level and precision. Sample sizes for populations up to 400 are expressed as a percentage (%) of the actual population. Sample sizes over 400 are expressed as a number (No.) for a population range.

SAMPLE SELECTION AND TEST PROCEDURES

1. *On Roll - Full/Shared* -- At a minimum, at least one register from each enrollment category, including self-contained special class programs (tiers), must be tested to verify that the number of students enrolled on October 15, 2001 agrees with the associated number reflected on the district's workpapers and on the ASSA. If, after reviewing one register per category, the total sample size is less than that reflected on the table for the total population, additional registers must be tested until the appropriate sample size is achieved.

When testing please note the “tier” reporting for educationally disabled students and that students reported by grade should not include any classified disabled students (see below for explanation of the reporting “tiers”). If the workpapers do not agree with the ASSA, those variances must be reported on the Schedule of Audited Enrollments as well.

Special Education Tiers

All educationally disabled students were to be reported in their appropriate special education “tier category” (see below) based upon the pupil’s classification. Educationally disabled students receiving educational services in graded programs (i.e. K-12) were to be reported as elementary, middle or high

school in the appropriate special education tier in accordance with the grade level of the program. For the purpose of determining the appropriate level in the “tier category” (i.e. elementary, middle, etc.) for ungraded educationally disabled students (i.e. students in self-contained special classes), students had to be assigned to a level in the “tier category” based on the following age table:

<u>Age (as of 10/15/01)</u>	<u>School</u>
0-10	Elementary School
11-13	Middle School
14-21	High School

Students reported by grade should not include any classified disabled students. All classified disabled students should be reported in their appropriate “Tier” category. Students must be listed in the appropriate Tier category based upon the student’s individualized education program (IEP). Please note that the school register is maintained by program type with an identification field to indicate a student’s special education classification. The identification field is the information source used for reporting classified disabled students on the ASSA by classification. **Classified disabled students are not routinely reported on the ASSA based on the school register they are included in but rather by their classification.**

Auditor’s Note – In respect of the confidentiality provision involving a student’s IEP, we recommend that the auditor not make photocopies of IEP’s chosen as part of the test sample. The auditor may suggest that a representative of the district be present to ensure compliance with the aforementioned provision. Additionally, the district may require the auditor to sign the pupil access record to document the disclosure of this information.

Pursuant to N.J.A.C. 6A:14-4.7, effective July 6, 1998 special class programs are redefined as serving students with similar educational needs in accordance with their IEPs. All students who were classified prior to July 6, 1998 will still be eligible for special education under the new code (N.J.A.C. 6A:14). The transition from the old to the new eligibility criteria was to be completed over a three-year period and student reevaluations were to be completed no later than July 6, 2001. The following tiers are described for audit evaluation.

Tier I includes the number of special education (SE) classified students receiving each related service (up to four per student). Related services pupils are pupils classified for other than speech-language services, resident in the district, who receive related services including, but not limited to, counseling, occupational therapy, physical therapy and speech language therapy. Classified pupils are eligible to receive aid for up to four services under Tier I of the special education aid formula. These students are shown on lines 52 through 56 on the 2002-2003 ASSA and are also to be included in Tier II, III, or IV.

Students classified prior to July 6, 1998 or meeting the new eligibility criteria after July 6, 1998 were to be counted on the ASSA in the Tier II, Tier III, or Tier IV designation below. Although no old classifications should appear on actual IEPs as of October 15, 2001, the following crosswalk is provided for information purposes to assist auditors in determining the proper tier:

Tier II includes students resident in the district not receiving Tier IV intensive services meeting the eligibility criteria for specific learning disabled or, traumatic brain injury or, cognitively impaired-mild or preschool disabled and all classified pupils receiving services pursuant to chapter 46 of Title 18A in shared time county vocational programs in a county vocational school which does not have a full child study team. The following represents the crosswalk from the old to the new classification for Tier II pupils:

**Old NJAC 6:28
Classification**

Perceptually Impaired
Neurologically Impaired
Educable Mentally Retarded
Preschool Handicapped

**New NJAC 6A:14
Eligibility Criteria**

Specific Learning Disabled
Traumatic Brain Injury
Cognitive Impaired – Mild
Preschool Disabled

All special education classified students who attend shared time vocational schools; and nonclassified students in state training schools or secure care facilities.

Tier III includes students resident in the district not receiving Tier IV intensive services meeting the eligibility criteria for cognitively impaired-moderate, orthopedically impaired, auditorily impaired, communication impaired, emotionally disturbed, multiply disabled, other health impaired or visually impaired. The following represents the crosswalk from the old to the new classification for Tier III pupils:

**Old N.J.A.C. 6:28
Classification**

Trainable Mentally Retarded
Emotionally Disturbed
Multiply Handicapped
Auditorily Handicapped
Orthopedically Handicapped
Communication Handicapped
Chronically Ill
Visually Handicapped

**New N.J.A.C. 6A:14
Eligibility Criteria**

Cognitive Impaired - Moderate
Emotionally Disturbed
Multiply Disabled
Auditorily Impaired
Orthopedically Impaired
Communication Impaired
Other Health Impaired
Visually Impaired

And, nonclassified students in juvenile community programs.

Tier IV includes students classified as eligible for special education resident in the district, receiving intensive services. For the 2001-2002 school year, Tier IV students are students resident in the district meeting the eligibility criteria for autistic or cognitively impaired-severe, and other students who receive one or more of the following intensive services that must be specified in the pupil's IEP:

1. Individual Instruction
2. Pupil:Teacher-Aide Ratio of 3:1 or Less
3. High Level Assistive Technology
4. Extended School Year (at least 30 days in addition to the school year)
5. Intensive Related Services
6. Interpreter Services
7. Personal Aide
8. Residential Placement for Educational Purposes
9. Individual Nursing Services

Auditor's Note – A student that has a special education classification and is receiving any one or more of the intensive services listed above (traced to a student's IEP) should be reported in Tier IV and not included in Tier II or III.

The following represents the crosswalk from the old to the new classification for Tier IV pupils:

<u>Old N.J.A.C. 6:28 Classification</u>	<u>New N.J.A.C. 6A:14 Eligibility Criteria</u>
Mentally Retarded - Eligible for Day Training Autistic	Cognitive Impaired - Severe Autistic

And, any student receiving one or more of intensive services (shown above) as directed by their IEP.

2. Private Schools -- Obtain the workpapers prepared by the district and verify that for each student listed there is a tuition contract with an approved Private School for the Disabled on file, which was in effect on October 15. Based on the total contracts the auditor should use the table to determine an appropriate sample size. The sample should be tested against private school tuition bills for October in order to determine that these pupils were in fact enrolled and that tuition was paid. The students will be identified by their initials and each student's number of enrolled days will be listed for the month. The per diem rate must be the same as the rate identified in the private school contract. This count may also include preschool disabled students placed in early childhood programs as per the provisions contained in N.J.A.C. 6A:14-4(c). An appropriate tuition contract must be on file as well as supporting documentation for the tuition payment. Any unresolved differences must be identified as an audit exception

It must also be verified that the students included in the sample are reported under the appropriate tier category (see above special education tiers section for explanation of the reporting "tiers"). If a pupil is a related services pupil for other than speech-language correction services, ensure that they were also included in the applicable related services count (i.e. counseling, occupational therapy, physical therapy, speech therapy and other) on lines 52-56 of the ASSA. Verified private school enrollment shown on the Schedule of Audited Enrollments should reflect only those pupils with a contract adjusted for those pupils in the sample, which were not properly reflected on the October bill.

Auditor's Note – In respect of the confidentiality provision involving a student's IEP, we recommend that the auditor not make photocopies of IEPs. The auditor may suggest that a representative of the district be present to ensure compliance with the aforementioned provision. Additionally, the district may require the auditor to sign the pupil access record to document the disclosure of this information.

3. Low-Income Enrollment -- Obtain the low-income workpapers (by school, by grade) prepared by the district and reconcile total low-income eligible students listed to the low-income eligible students reported on the ASSA. Based on the total low-income eligible students listed on the workpapers the auditor should use the table to determine an appropriate sample size. To provide adequate coverage of the low-income eligibility concentrations the sample must include pupils from all schools **tested for on roll**.

Low-income eligible students are resident students eligible for free meals or free milk who are part of the districts' resident enrollment. Students eligible for free meals or free milk are those students who have been determined to be eligible under the National School Lunch Act and the Child Nutrition Act as of October 15, 2001.

For the sample selected, verify that there are valid "Applications for Free and Reduced Price Meals" or "Free Milk" on file to support the number of pupils reported. A valid application is one that

contains all required information and signatures. For those districts that elected direct certification, verify that the pupil is included on the direct certification list maintained by the central office. Trace the applications (or direct certifications) to the registers to ensure that the students were on roll as of October 15, 2001. Only those students eligible for Free Meals (not reduced meals) or Free Milk at October 15, 2001 are low-income students for the purposes of state aid and only those students should be reported as low-income eligible students in the ASSA. Districts which send low-income eligible students to the following programs may include those students as part of their low income count, providing that a valid application is on file for the student at the resident district:

- Private schools for the disabled,
- Regional day schools,
- County special services districts,
- Educational services commissions,
- Alternative High School programs,
- Marie H. Katzenbach School for the Deaf,
- Harry Moore School and
- State college demonstration schools

Errors detected in income classifications during the testing of applications for the school child nutrition program which impact the free classifications should be applied to the low-income count when applicable. The verified count reported on the Schedule of Audited Enrollments must reflect all adjustments discovered during the above procedures. If the workpapers do not agree with the ASSA, those variances must be reported on the Schedule of Audited Enrollments as well.

4. Bilingual Education -- Bilingual education programs are provided to students identified as limited English proficient (LEP) to help them develop academic skills while acquiring English language skills. There are currently three programs as follows:
 - Bilingual programs with content area instruction in the native language provided when there are 20 or more LEP students of a single language group in a district.
 - ESL-only (ESL) programs are provided when there are 10 or more LEP students in a district.
 - English Language Services (ELS) programs are provided when there are at least 1, but fewer than 10, LEP students in a district.

Program plans for Bilingual/ESL, ESL-only and English Language Services programs are submitted every three years. The current three-year cycle began in July 1999, and will end in 2002. All programs operate from September to June.

Bilingual education, ESL or English Language Services programs are provided to students identified as limited English proficient (LEP) by a state established **standard** on an English language proficiency test. The following students who are enrolled in the district as of October 15, 2001, are eligible to be reported:

- Resident and nonresident students identified as Limited English Proficient (LEP), in accordance with N.J.A.C., 6A:15-1.3(c), who are participating in an approved bilingual, ESL, or ELS program and
- Students who continue to need and participate in bilingual, ESL or ELS program services on the basis of multiple indicators as per N.J.A.C.6A:15-1.10(b).

The number of eligible students must be supported by a listing by school which includes each student's name and the number of the register on which they are enrolled. LEP students counted in bilingual education cannot also be counted in a special education tier category.

Based on the total LEP students reported (Line 58 of the ASSA), the auditor should determine an appropriate sample size (see the table on page I-3.2 of The Audit Program). Trace the LEP students selected to the registers to ensure that the students were on roll as of October 15. Verify that the LEA submitted an English Language Service, ESL, or a Bilingual/ESL plan to the department that received approval.

Districts may use one of three tests to identify students of limited English proficiency:

- Language Assessment Scales (LAS), published by CTB/McGraw Hill
- IDEA Proficiency Test, published by Ballard & Tighe Publishing Company or
- MAC II Test of English Language Proficiency, published by Touchstone Applied Science Associates.

To verify LEP eligibility, first determine that the student falls below the language proficiency standard specific to the test (see the following pages) and meets at least one other indicator as per N.J.A.C. 6A15-1.3(c). Other indicators include the following:

- Reading level in English;
- Previous academic performance;
- Achievement on standardized tests in English; and
- Judgment of the teaching staff members responsible for the educational program of the student.

Note that the bilingual education code (N.J.A.C. 6A:15-1.10) stipulates that LEP students can be exited from bilingual/ESL/ELS program services when they have demonstrated readiness to function successfully in an English-only program on the basis of their score/level on a language proficiency test and multiple indicators including, but not limited to those listed above. Thus, some students may be retained for program services even though their language proficiency test scores are at the standard. Districts may continue to report these students as LEP on the ASSA.

The Schedule of Audited Enrollments that is required to be included in the Auditors' Management Report includes a section for the bilingual category.

Auditor's note: The Maculaitis Test (MAC) used prior to the MACII was still used for graduating seniors during the 2001-02 year. Also, students may have been tested in the spring, 2001 for placement in the 2001-02 school year using the previous MAC or the LAB. A sample Schedule of MAC and LAB Cutoff Scores are included in this section for your information and reference.

Further information can be found on the web site:

http://www.state.nj.us/njded/bilingual/resources/prof_tests.shtml

Language Proficiency Test Standards for Determining Limited English Proficiency

Language Assessment Scales (LAS) – CTB/McGraw Hill

Use the LAS Language Proficiency Index (LPI) to determine program placement.

<i>LPI (RW/O)</i>	<i>Category</i>	<i>Description</i>
1/2	LEPa	low-level R and W skills
1/3		mid-level (limited) L and S skills
1/4	LEPb	low-level R and W skills
1/5		high-level (proficient) L and S skills
2/2	LEPc	mid-level R and W skills
2/3		mid-level (limited) L and S skills
2/4	LEPd	mid-level R and W skills
2/5		high-level (proficient) L and S skills
3/2	LEPe	high-level R and W skills
3/3		mid-level (limited) L and S skills
3/4	FEP	high-level R and W skills high-level (proficient) L and S skills

▪ **Standard**

Any student that places below the FEP (Full-English Proficient) category and has at least one other indicator as per N.J.A.C. 6A15-1.3(c) is limited English proficient.

Other indicators include the following:

- Reading level;
- Previous academic performance;
- Achievement on standardized tests in English; and
- Teacher judgment.

IDEA Proficiency Test (IPT) - Ballard and Tighe Publishers

Use the IPT designations to determine program placement.

- Oral Tests
 - Non-English Speaker
 - Limited-English Speaker
 - Fluent-English Speaker
- Reading Tests
 - Non-English Reader
 - Limited-English Reader
 - Competent-English Reader
- Writing Tests
 - Non-English Writer
 - Limited-English Writer
 - Competent-English Writer

▪ **Standard**

Any student who falls in the “limited” category or below, in any of the tests, oral, reading, or writing and has at least one other indicator as per N.J.A.C. 6A15 1.3(c) is limited English proficient.

Other indicators include the following:

- Reading level;
- Previous academic performance;
- Achievement on standardized tests in English; and
- Teacher judgment.

Using Multiple Criteria for Program Entry and Exit

Districts must continue to use multiple indicators, as specified in code [N.J.A.C. 6A:15-1.3(c) and 6A:15-1.10(b)] to determine which students need English as a Second Language (ESL) and/or bilingual program support and which students can function independently in a monolingual English classroom. These indicators must be used for both identification of LEP students and for determining readiness to exit from bilingual/ESL/ELS program services.

MACII Test of English Language Proficiency -Touchstone Applied Science Associates

Use the Standard Score Cut Points to determine program placement.

Standard Score Cut Points*				
Test Level	Grade	Fall	Spring	SEM**
Red	K	210	220	8
	1	566	588	14
Blue	2	548	564	12
	3	558	574	12
Orange	4	543	559	10
	5	556	569	11
Ivory	6	545	557	10
	7	551	562	10
	8	555	567	10
Tan	9	549	560	10
	10	558	570	11
	11	568	583	11
	12	580	593	11
*For grades 1-12, cut points are set for Total Battery scores. For grade K, cut points are set in terms of total Speaking and Listening scores.				

**The standard error of measurement (SEM) of a test is a measure of reliability that represents the amount by which a score may vary due to errors of measurement. Thus, the larger the SEM, the greater the likelihood that a student might be misclassified. The SEM can be used to establish a band within which errors are most probable. For students whose scores fall within the band defined by the cut score plus or minus one SEM (e.g., 539 to 559 for Fall, 9th grade), additional data should be used to corroborate the placements.

MAC I

**Fall and Spring Cutoff Scores* for the
Maculaitis Assessment Program (MAC) and the
Language Assessment Battery (LAB)**

Grade	Test Level	LAB					MAC			
		Total Possible Score	Cutoff Score Form A		Cutoff Score Form B		Test Level	Total Possible Score	Cutoff Score	
			Fall	Spring	Fall	Spring			Fall	Spring
K ¹	I	30	26	29	24	28	Pink	126	93	108
K ²	I	58	-	51	-	50	Pink	126	-	-
1 ³	I	58	56	-	55	-	Pink	126	-	-
1 ⁴	I	58	51	54	50	53	Pink	126	108	114
2	I	58	53	56	53	56	Blue	177	131	147
3	II	112	87	94	89	97	Blue	177	140	149
4	II	112	100	104	102	105	Orange	209	149	157
5	II	112	102	105	104	106	Orange	209	162	169
6	III	139	111	115	111	115	Ivory	199	148	153
7	III	139	113	117	113	117	Ivory	199	149	154
8	III	139	118	120	118	120	Ivory	199	156	158
9	IV	139	110	115	114	116	Tan	199	148	155
10	IV	139	115	118	116	119	Tan	199	153	157
11	IV	139	119	121	120	122	Tan	199	160	163
12	IV	139	123	124	124	125	Tan	199	166	168

- 1 Kindergarteners who take only the Listening/Speaking subtest of the LAB in the fall or spring or the MAC.
- 2 Kindergarteners who take both the Listening/Speaking subtest and the Beginning Reading subtest of the LAB in the spring.
- 3 First graders who take the Listening/Speaking and Beginning Reading subtest of the LAB in the fall.
- 4 First graders who take the the Listening/Speaking and Reading/Writing subtest of the LAB in the fall or spring or the MAC.

*The cutoff scores are based on total test raw scores and are effective as of spring 1989.

ADDITIONAL AUDIT PROCEDURES TO BE PERFORMED ON THE ASSA

In addition to the testing of enrollment reported, the public school accountant must also verify that the district maintains written internal procedures which provide a description of the October 15, 2001 count process.

These written procedures must include the following information:

- 1) How the count was taken,
- 2) Who was responsible for compiling the data and submitting the Application for State School Aid data, and
- 3) The various personnel assigned responsibilities for collecting the data.

If the district did not use the sample workpapers or develop an alternative audit trail, the auditor shall include a comment that the necessary verifications and sampling could not be performed and a recommendation that the workpapers be used or an alternative audit trail (which is acceptable to the auditor) be established for future audits. The auditor should include a comment and recommendation for any differences noted on the Schedule of Audited Enrollments.

Below is a reprint of the memo that was distributed to all school districts regarding the necessary records that were required to be maintained to support the data included in the September 26, 2001 ASSA. Copies of the suggested sample formats for supporting workpapers were distributed with the memo. As noted in the memo, the data reported on the ASSA must be clearly documented and should be on file at the district.

September 26, 2001

TO: Chief School Administrators
Board Secretaries/School Business Administrators

FROM: Peter E. Genovese, III, Assistant Commissioner
Division of Finance

SUBJECT: 2002-03 Application for State School Aid - Workpapers and Written Procedures

The Application for State School Aid Summary is a required part of the annual independent school district audit. The Application for State School Aid Summary printout prepared by the department will be included in the audit report as a supplementary schedule and is subjected to the same auditing procedures applied in the examination of the school district's basic financial statements.

Districts must complete a set of workpapers that document the compilation of register data for the Application for State School Aid pupil count and provide an audit trail for the auditor to use as a basis for testing. Samples of the workpapers and instructions are attached. Districts must also prepare written internal procedures that provide a description of the October 15 count process. The procedures should describe how the count was taken, who was responsible for compiling the data and submitting the Application for State School Aid data, and the various assigned responsibilities for collecting the data. The workpapers, original supporting documentation and internal procedures must be maintained on file for a period of **seven** years.

Districts are advised that, in addition to the audit testing performed as part of the financial statement audit, the department of education conducts audits of the application for state school aid for purposes of verifying state aid entitlements to school districts. Various department audit results have indicated that certain school districts have counted students as both grade level and tier level students for on-roll and low-income categories.

Department audits have also found that some districts have included students eligible for reduced price lunches as low-income students as of October 15 when preparing the ASSA. Districts are reminded that only students eligible for **free** meals and **free** milk are to be included on the ASSA as low-income students.

Please contact Robert Ortley at (609) 984-4940 or your county office if you have any questions concerning the workpapers or the internal procedures.

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Attachments

c: Maria Nuccetelli, Acting Assistant Commissioner, Field Services
Gary Friedland, Chief of Staff
Yut'se Thomas, Director, Office of School Finance
County Superintendents

Reproduced below are the instructions for the sample ASSA supporting work papers. Both the sample workpapers and the instructions were distributed with the above memo.

WORKPAPERS - APPLICATION FOR STATE SCHOOL AID INSTRUCTIONS

1. Students On Roll - Full - Time and Shared - Time Including Home Instruction

Each grade level and special education tier category must be supported by an itemized count by school building and register number. Shared - Time students are identified on the register by the "shared - time column". Please note that registers should be numbered sequentially within each school building. Enrollments for students enrolled in self - contained special class programs must be maintained on separate registers. All Home Instruction students must be entered by name in the school register with attendance code "7". These students are now included in the on-roll count rather than as a separate category on the ASSA. Districts are strongly advised to only use the data from the school registers used to determine the 10/15/2001 enrollment count. This data must be kept on file for audit purposes.

2. Students Sent Full and Shared - Time

The number of students listed under Sent Full and Shared-Time must be supported by tuition contracts or other appropriate documentation verifying the enrollment of the student sent to New Jersey Public School Districts (as described in the "2002-2003 ASSA Instructions" manual) along with the proper purchase order verifying payment of tuition.

3. Students Received Full and Shared - Time

The number of students listed under Received Full and Shared-Time must agree with the number of students appearing in the district's New Jersey School Register that are received from other school districts.

4. Regional Day Schools

The number of students listed under Regional Day Schools must be supported by tuition contracts or appropriate supporting documentation verifying the enrollment in the Regional Day School along with the proper purchase order verifying payment of the tuition.

5. Private Schools for the Disabled

The number of students listed under Private Schools for the Disabled must be supported by tuition contracts verifying the enrollment in the approved private school for the disabled or other permitted educational agency (as described in the "2002-2003 ASSA Instructions" manual) along with the proper purchase order verifying payment of the tuition.

6. Low Income Students

Low Income students are those students who are eligible for free meals or free milk who are part of the district's enrollment as of October 15, 2001. The number of low-income students must be supported by the "Application for Free and Reduced Price Meals or Free Milk." Only students who qualify for *free meals or free milk* for fiscal year 2002 should be counted as low-income students. Students who only qualify for reduced price meals cannot be counted as low-income students. Districts which send students to private schools for the disabled, regional day schools, county special services districts, educational services commissions, alternative school programs, Department of Human Services day training programs, the Marie H. Katzenbach School for the Deaf, the A. Harry Moore School or state college demonstration schools may report the number of low income students sent to these programs. Do not report any such student as low-income unless a copy of the student's meal application indicating free meal or free milk status has been obtained from the receiving school for audit verification. If the application copy is not on file for audit purposes, the low-income student will be deducted from the audited count of the ASSA.

7. Related Services

A listing of the resident classified students who are classified for other than speech correction services must support the number of students who receive related services. Students must be listed in the appropriate related service category based upon the student's IEP. These students must also be included in the district's ASSA summary report as Tier II through Tier IV students. Classified students are eligible to receive aid for up to four related services categories. A student cannot be counted more than once in any single related service category.

8. Sent to County Special Services School Districts

The number of students listed under County Special Services School Districts must be supported by tuition contracts or other supporting documentation verifying the enrollment in the school along with the proper purchase order verifying payment of the tuition.

9. Bilingual/LEP Students

Eligible students are those resident and non-resident students identified as Limited English Proficient (LEP), in accordance with N.J.A.C. 6A: 15-1.3(c), who are participating in a bilingual, ESL, or ELS program; and students who continue to need and participate in bilingual, ESL or ELS program services on the basis of multiple indicators as per N.J.A.C. 6A: 15-1.10(b), listed as participating in an approved bilingual/ESL program and who are enrolled as of October 15 2001. The number of eligible students must be supported by the approved bilingual plan and a listing by school which includes each student's name and the number of the register on which they are enrolled. Special education students cannot be counted as LEP students.

10. Specific Learning Disabled

List the resident specific learning-disabled students as of October 15 2001. Include resident students sent to county vocational schools.

11. Alternative Programs

List the resident students as of October 15, 2001 sent to approved Alternative Programs.

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DISTRICT REPORT OF TRANSPORTED RESIDENT STUDENTS (DRTRS)

OVERVIEW

The transportation aid for 2002-03 was calculated using the data on the 2001-02 District Report of Transported Resident Students (DRTRS). The county eligibility summary report (distributed by County offices) is a compilation of district data by district and should agree to the DRTRS Summary Report produced by the DRTRS data collection software at the district. Districts should have a paper copy of the report produced by the software or provide auditors with the ability to view student data on-line using the DRTRS data collection software. The district level data is reported in the four part (A through D) DRTRS Summary Report. Districts receiving ECPA use Part A; districts which do not receive ECPA use Part B. Parts C and D are used where applicable. The following crosswalk to the county DRTRS Eligibility Summary Report should be used by auditors when agreeing the category totals:

- The sum of lines A-1, 2, plus 3 (B-1, 2 plus 3 if applicable) should agree to the REG PUBLIC Column.
- Line A-4 (B-4) should agree to the column, REG TRANS
- Line A-5 (B-5) should agree to the column, AIL.
- The sum of lines A-6, 7, plus 8 (B - 6, 7 plus 8) should agree to the column, REG SPECED.
- The sum of lines C-1,2,6, plus 7 should agree to the column titled SPECED PUBLIC.
- Line C-3 plus C-8 should agree to the column SPECED PRIVATE.

SAMPLE SIZE

Use the table in the first part of this chapter to determine the appropriate sample size for the population listed on the county DRTRS report.

SAMPLE SELECTION AND TEST PROCEDURES

- Obtain from the district, a county summary (distributed by the County offices) of the 2001-02 DRTRS Eligibility Summary Report produced by the department.
- Auditors should first agree the county DRTRS Eligibility Summary Report to the district DRTRS Summary Report using the above crosswalk.
- If the county summary has lower numbers, inquire of appropriate district personnel as to whether the district has received notification of duplicate students on their DRTRS.
- Any discrepancies should be noted on the ASSA Schedule of Audited Enrollments.
- Auditors are also required to perform the procedures listed below related to the DRTRS data for Eligible Regular Public (REG PUBLIC on the county DRTRS), Regular Special (REGSPECED on the county DRTRS), and Special Needs Public (SPECED PUBLIC on the county DRTRS) students. Using the sample selected perform the following procedures:

Eligible Regular Students/(REG PUBLIC)

Eligible Regular Students (column 1, REG PUBLIC, of the county DRTRS report) includes pupils from the District level DRTRS Summary Report under Part A, lines 1,2 and 3 of the District DRTRS ("Eligible REGULAR and In-District Special education Students without Special Transportation Needs" section) and Part B, lines 1,2 and 3 of the district DRTRS ("Eligible REGULAR (excluding Grade PK) and In-district Special Education Students without Special Transportation Needs" section). Please note that regular preschool students would be counted as eligible for aid if the district qualifies for early childhood aid pursuant to N.J.S.A. 18A:7F-16 and the student meets the on-roll and remote mileage requirement of 2.1 miles or more.

Verify the on-roll status of students reported on the District Report of Transported Resident Students. In order to verify on roll status as of October 15, 2001:

- Trace the public school students to the school registers;
- Verify that the application form B6T for all nonpublic school students reported on the DRTRS is on file and has been received by the district on or before October 15.
- Examine the Charter School Application for Transportation Services for proper signature by the Chief School Administrator of the charter school.
- Trace the charter school students listed on the DRTRS to the listing on the Application noted above.

If any errors are noted during the verification of the on roll status of students reported on the DRTRS, then the average mileage must be recalculated with those errors factored in. Two computations will need to be performed when computing average mileage: one that includes regular pre-kindergarten students and one without those students. Reconciling differences may be due to Vocational Technical shared time students counted twice, duplication of pupil records.

Eligible Regular Special Education Students (**without** special transportation needs)/(REG SPECED)

Eligible Regular Special Education Students (without special transportation needs), (column 4, REG SPECED, of the county DRTRS report) includes pupils in the district DRTRS Summary Report under Part A, lines 6 through 8 of the district DRTRS report ("Eligible REGULAR STUDENTS") and Part B, lines 6 through 8 if applicable ("Eligible REGULAR STUDENTS excluding Grade PK Students" section). Please note that regular special education preschool students would be counted as eligible for aid if the student meets the on-roll and remote mileage requirement of 2.1 miles or more or whose Individualized Education Program (I.E.P.) requires transportation, regardless of whether the district qualifies for early childhood aid pursuant to N.J.S.A. 18A:7F-16 or not.

A regular special education student that has been reported with a grade level of S1 (PK-8) or S2 (9-12) and has an I.E.P that does not include a special transportation need (such as a wheelchair vehicle, an aide, or an extended year program) must meet the remote mileage requirement to be eligible unless the I.E.P specifically requires the student to be transported. In order to verify on roll status as of October 15, 2001, trace public school students in this category to the school registers. Private School for the Disabled students on roll status should be verified with a valid tuition contract and October 2001 tuition voucher.

If any errors are noted during the verification of the on roll status of students reported on the DRTRS, then the average mileage must be recalculated with those errors factored in. Two computations will need to be performed when computing average mileage: one that includes regular pre-kindergarten students and one without those students.

Eligible Special Education Students (with special transportation needs)/SPECED PUBLIC

Eligible Special Education Students (This category includes all special education students transported outside the district and those with special transportation needs.) (column 13, SPECED PUBLIC, of the county DRTRS report) includes pupils in the DRTRS Summary Report under Part C, lines 1,2 6, and 7 of the district DRTRS report ("Eligible SPECIAL EDUCATION STUDENTS **with** special transportation needs" section). Please note that special education pre-kindergarten students would be counted as eligible for aid if the student meets the on-roll and remote mileage requirement of 2.1 miles or more or whose IEP requires transportation, regardless of whether the district qualifies for early childhood aid pursuant to N.J.S.A. 18A:7F-16 or not.

A special education student who has been reported with a grade level of S1 (PK-8) or S2 (9-12) and has an IEP that includes a special transportation need (such as a wheelchair vehicle, an aide, or an extended year program) must meet the remote mileage requirement to be eligible unless the IEP specifically requires the student to be transported. In order to verify on roll status as of October 15, 2001, trace public school students to the school registers. Private School for the Disabled students on roll status should be verified with a valid tuition contract and October 2001 tuition voucher. If any errors are noted during the verification of the on roll status of students reported on the DRTRS, then the average mileage must be recalculated with those errors factored in.

ADDITIONAL AUDIT PROCEDURES - TRANSPORTATION

The following procedures regarding transportation must also be performed:

- (1) Verify that invoices for purchases of goods and services are transportation related.
- (2) Verify that proper bidding procedures and award of contracts are being followed by the district in accordance with N.J.S.A. 18A:39-3 through N.J.S.A. 18A:39-5, and N.J.A.C. 6A:27-9.
- (3) Verify that bid specifications for bus purchases were properly bid and awarded in accordance with N.J.S.A.18A:18A-1 et seq.
- (4) **Verify that leases for school buses do not exceed ten years (N.J.S.A. 18A:18A-42(f)).**
- (5) Verify that transportation contracts and renewals are properly prepared and contain all necessary documents and affidavits.
- (6) Verify that a completed (B8T) signed by the Chief School Administrator of the nonpublic school lists all nonpublic students who are transported or whose parents received aid-in-lieu of transportation.
- (7) **Review both regular and special needs student transportation expenditures relative to the applicable count on the DRTRS for reasonableness.**